

PROCLAMATION

BY THE

Governor of the State of Texas

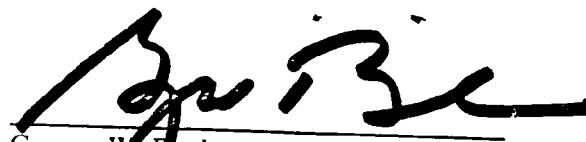
TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, George W. Bush, Governor of Texas, do hereby disapprove and veto House Bill No. 1662 because of the following objection:

House Bill No. 1662, as enrolled, appears to violate the equal protection clause of the Texas Constitution because it imposes a regulatory burden on affiliated county mutual insurance companies while leaving similarly situated unaffiliated county mutual insurance companies unburdened. No rational basis substantiates the different treatment between affiliated and unaffiliated county mutual insurance companies.

This veto does not in any way condone the practice by insurance companies of placing standard risks, which are well within the benchmark rate, in county mutual insurance companies that are intended for high-risk drivers. I have instructed the Commissioner of Insurance to carefully monitor the automobile insurance market to prevent unfair circumvention of the current benchmark rating system.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 20th day of June, 1997. - -


George W. Bush
Governor of Texas